
Health Care & Wellness Committee

2SSB 5142

Brief Description: Addressing the health benefit exchange aggregation of funds and collection of data.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Becker, Bailey, Rivers, Brown and Keiser).

Brief Summary of Second Substitute Bill

- Prohibits the Washington Healthplanfinder from aggregating premiums in the individual market.
- Requires the Washington Healthplanfinder and the Health Care Authority to collect and report enrollment and demographic data.
- Requires the Washington Healthplanfinder, the Office of the Insurance Commissioner, and the Health Care Authority to monitor the process of moving away from premium aggregation and to submit a status report to the Joint Select Committee on Health Care Oversight.

Hearing Date: 3/31/15

Staff: Jim Morishima (786-7191).

Background:

Under the federal Patient Protection and Affordable Care Act, states must establish a health benefit exchange through which consumers may compare and purchase individual and small group coverage, access premium and cost-sharing subsidies, and apply for Medicaid coverage. If a state does not establish a health benefit exchange, the federal government will operate one for the state. Washington established its health benefit exchange, known as the Washington Healthplanfinder, in 2011 as a public-private partnership. The Washington Healthplanfinder is governed by a board (Board) consisting of members with expertise in the health care system and health care coverage.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The Washington Healthplanfinder is authorized to aggregate or delegate the aggregation of funds that comprise the premium for a health plan. Consumers make payments to the Washington Healthplanfinder, which then transmits the payments to the qualified health plans. In 2014, the Board voted to cease premium aggregation beginning in the 2016 plan year and to allow the qualified health plans to bill consumers directly.

Summary of Bill:

Beginning January 1, 2016, the Washington Healthplanfinder may not aggregate or delegate the aggregation of funds that compromise the premium for any enrollee, except for in the small group market.

The Washington Healthplanfinder must capture detailed enrollment and demographic data for qualified health plans. The Health Care Authority (HCA) must capture detailed enrollment and demographic data for Medicaid. The Washington Healthplanfinder must work with the HCA to determine a consistent set of reports on enrollment in qualified health plans and Medicaid to enable the Washington Healthplanfinder to do the following:

- post twice-yearly detailed enrollment reports on its web page that include the following statewide and county-level information for qualified health plans and Medicaid:
 - enrollment by income bands measured by the federal poverty level;
 - enrollment by county;
 - enrollment by health plan; and
 - enrollment by gender, race, language, and age;
- post high-level monthly summary enrollment metrics that include:
 - qualified health plan enrollment;
 - Medicaid enrollment; and
 - as feasible: qualified health plan enrollment by carrier and information on mixed households with enrollment in a qualified health plan and a Medicaid plan; and
- provide information on Medicaid and Washington Healthplanfinder enrollees that move or churn between coverage in Medicaid plans and qualified health plans. The Washington Healthplanfinder must post the results of the detailed analysis of churn factors that is to be completed in coordination with the HCA.

At least annually, the Washington Healthplanfinder must publish survey results that assess consumers' perspectives on enrollment, disenrollment, and services provided by the Washington Healthplanfinder.

Carriers offering qualified health plans must report data back to the Washington Healthplanfinder that supports federal and state reporting requirements, including information on enrollees in the grace period.

The Washington Healthplanfinder, the Office of the Insurance Commissioner (OIC), and the HCA must monitor the process of moving the payment function of the Washington Healthplanfinder with the goal of promoting a successful transition for consumers who will use the Washington Healthplanfinder to enroll in a health plan in the 2016 plan year and beyond. The Washington Healthplanfinder, the OIC, and the HCA must provide a brief status report to the Joint Select Committee on Health Care Oversight by June 2015, or the next regularly scheduled meeting.

Appropriation: None.

Fiscal Note: Preliminary fiscal note available.

Effective Date: This bill takes effect 90 days after adjournment of the session in which the bill is passed, except for section 1 relating to relating to prohibiting premium aggregation, and section 2 relating to reporting enrollment and demographic data, which take effect January 1, 2016.